

## FISCAL CANCER

Mr. HOLLINGS. Mr. President, elected upon a promise to eliminate "waste, fraud and abuse," President Ronald Reagan appointed the Grace Commission to root through the government, eliminating obsolete programs and those whose costs exceeded their benefits. At the conclusion of its crusade the Grace Commission published a thick book entitled "War on Waste." Ironically at that very moment the biggest waste of all was being created—a soaring debt and wasteful interest costs. Everyone with a credit card realizes there is no free lunch. The amount you borrow must be paid back—plus interest costs on the amount borrowed. Government is no different. As the national debt increases, interest costs compound and must be paid annually. Historically, interest costs have not been a burden. From the beginning of the Republic until 1981, borrowing of the United States for all government including the cost of all the wars from the Revolution through World War II, Korea and Vietnam was less than one trillion dollars. And interest cost was less than \$100 million. But in the past 17 years without the cost of a war (Desert Storm paid for by the Kuwaitis and Saudis), the national debt has quintupled to \$5.6 trillion; and interest costs on the debt have increased to \$365 billion a year. Spending of a billion a day for interest is added to the debt, increasing the debt and increasing the spending for interest. With a gas tax, we obtain highways; with this interest "tax," we get nothing. Waste!

Tragically, this waste goes unnoticed. This is intended. The scam is known as the "unified budget." The "unified budget" is not the actual income and spending of government. Rather it is the spending by government beyond its income while reporting a smaller deficit by borrowing from the special purposes funds. Of course, this doesn't reduce the deficit; it just moves the deficit out of sight from general government into these trust funds. For example, the actual deficit for FY 1998 as reported by the Congressional Budget Office is \$153 billion. But the President and Congress report a "unified" deficit of \$7.7 billion by borrowing \$161 billion from various trust funds. Accordingly, we have created deficits in the following trust funds: Social Security—\$732 billion; Medicare—\$146 billion; Military Retirement—\$133 billion; Civilian Retirement—\$460 billion; Unemployment Compensation—\$72 billion; Highways—\$23 billion; Airports—\$10 billion; Railroad Retirement—\$20 billion; All Others—\$55 billion.

It should be emphasized that for Social Security this is against the law. In 1983, the Greenspan Commission called for a high payroll tax with the intent of not just balancing the Social Security budget but to build a surplus to pay for the retirement of the baby boomers in the next century. Section 21 of the Greenspan Commission report called for the Social Security Trust to

be removed from the "unified budget" so that the fund could remain solvent to the year 2056. Accordingly, President Bush signed Section 13301 of the Budget Act prohibiting the President or Congress from reporting a budget using Social Security trust funds. But the President and the Congress continue to ignore the law. They do so with the sanction of the Chairman of the Federal Reserve Alan Greenspan and the financial world. Corporate America would rather government incur these horrendous deficits than come into the bond market with its sharp elbows, crowding out corporate finance and raising interest rates.

There's a difference between the corporate economy and the country's economy. The corporate economy has as its goal higher profits. The country's economy has as its goal the good of society. For example, the corporate economy reaps higher profits by moving its manufacture offshore to a low wage country. But the country's economy suffers from a loss of manufacturing jobs.

A nation's strength rests as if upon a three-legged stool. The one leg of values is unquestioned: the United States readily sacrifices to feed the hungry in Somalia and bring democracy to Haiti and Bosnia. The second leg of military strength is unquestioned. The third leg of economic strength has become fractured. For 50 years we sacrificed our economy in order to keep the alliance together in the Cold War. We willingly gave up markets and manufacture. While today's industry is competitive, valuable high-paying manufacturing jobs have become depleted. In the past 10 years, the United States has gone from 26% of its work force in manufacture to 13%. At a forum of Third World countries, the former head of Sony, Akio Morita stated that the emerging countries must develop a strong manufacturing sector in order to become a nation state. And then Morita admonished, "That world power which loses its manufacturing capacity will cease to be a world power." Perhaps Morita had in mind the materials of basic production or defense. But more importantly manufacture is the job of the middle class. As you lose your middle class, you lose the strength of democracy. Sure, employment is at an all-time high. But service and part-time jobs are replacing the high-paid manufacturing jobs. The corporate economy wins, the country economy loses.

The North American Free Trade Agreement with Mexico was an instrument of the corporate economy. Europe had long since abandoned the free trade approach for that of the common market. For a common market, there first must be developed entities of a free market such as property rights, labor rights, rights of appeal, a respected judiciary, etc. The Europeans taxed themselves some \$5 billion over four years, building up these institutions of a free market in Greece and Portugal before joining in a trade treaty. Mexico

has not developed these institutions. Ignoring experience, the corporate economy bulled its way for NAFTA approval and the results are well known. Promised an increase of 200,000 jobs, the United States has lost 400,000. Promised an increase in our balance of trade, the \$5 billion plus balance has been replaced by a \$17 billion negative balance. Promised an improvement in the drug problem, the drug problem has worsened. Promised a diminution in immigration from Mexico, it has increased. Even the Mexican worker has suffered a 20% loss in take-home pay. The \$12 billion that the United States has paid out in bail-out—the monies that could have installed the institutions of a free market—have gone back to Wall Street. The corporate economy has benefitted with cheaper production in Mexico. But the country's economy is weakened. South Carolina, with all of its new industry, has suffered a net loss of 14,000 manufacturing jobs since NAFTA.

The "unified budget" that projects surpluses is a loser. When the country borrows from its trust funds, it really doesn't borrow; it just moves the deficit out of sight. Corporate America could care less. They don't have to pay the bills. They don't have to worry about the future of America. But we in public office do. A day of reckoning is at hand. Already the biggest spending item in our budget is interest costs on the national debt. Bigger than defense. Bigger than Social Security. All waste. Should interest costs return to their normal rate of 10 years ago, then by 2003, we will have to spend in excess of \$500 billion on interest charges—an annual waste of \$500 billion. At that time, we will owe Social Security and the pension funds over \$2 trillion. Forced to raise money for these obligations, Congress will be scrambling to find enough money for entitlements and a limited defense much less obligations. There will be little money left for general government. At present, foreigners have been willing to buy the bonds, and lend the money to finance our deficits. In fact, they use their substantial holdings to leverage prevalence in trade negotiations by threatening from time to time to sell. Fearful that this will increase rates, our negotiators give in. Now with the Pacific Rim economy in shambles, it shouldn't surprise anyone if they don't show up at the next bond sales. Immediately, we would have higher interest rates. Today we have a foreign debt of \$1.2 trillion. Already we have gone from the world's largest creditor nation to the world's largest debtor.

According to the CBO, the FY 1998 budget is in deficit \$184.1 billion. Instead of surpluses, CBO projects deficits for the next five years for the sum total of \$905 billion. But all across the land one hears shouts of "Balanced Budgets" and "Surpluses as far as the eye can see." We are wasting with fiscal cancer. But the American people don't know. The media have put them to sleep with the "unified budget."

Mr. LIEBERMAN. Mr. President, I rise today to note the passing of another milestone by our esteemed Vice President and my good friend, AL GORE. On March 31, the Vice President celebrated his fiftieth birthday—in excellent humor and high spirits, I might add. Welcome to the “Over 50” club, Mr. Vice President.

The passage of half a century of life is not a milestone everyone likes to celebrate. I know, having passed my fiftieth six years ago. But then again, I understand my colleague Senator THURMOND sent the Vice President a birthday greeting in which Senator THURMOND pointed out that he was running for president when AL GORE was born. Senator THURMOND will celebrate his 98th birthday in December.

AL GORE has always been a man of exceptional accomplishment and character. His sense of wonder and enthusiasm for life is just as palpable today as it was years ago when we first met. There's no doubt he has been one of the most effective Vice Presidents in the history of our nation and I have no doubt he will be equally as effective in whatever future endeavors he chooses to pursue. I look forward to the 21st century knowing the Vice President will be leading us there.

Trudie Feldman of the Free Press has penned a worthy tribute to the Vice President. I ask unanimous consent that the text of this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Free Press]

AT 50, AL GORE LOOKS FORWARD TO YEAR 2000  
(By Trude B. Feldman)

Albert Gore Jr.'s 1965 yearbook at St. Albans Episcopal School for Boys in Washington, D.C., notes: “It probably won't be long before the popular and well-respected Al Gore reaches the top . . . When he does, his classmates will remark, ‘I knew that guy was going somewhere.’”

Now, 33 years later, Mr. Gore is the 45th Vice President of the United States, and in the year 2000, he expects to seek the presidency.

On Tuesday, Mr. Gore will be 50 years old, and in a birthday interview, he told me, “I feel no sense of dread about turning 50—at least, not yet. Each decade of my life has been better than the previous one. As time goes on, I enjoy life more. I'm amazed at how much I learn each day.”

What motivates the vice president?

“The job itself motivates me, and there is much satisfaction in it,” he reflects. “What the president and I do now has a tremendous potential to help bring about a better world for our children and grandchildren.”

Sitting in his White House office for the 45-minute exclusive interview, Mr. Gore, whose youthful zest for life belies his chronological age, is hearty and fit.

His voice grows softer and he looks back on his 50 years.

“I have the same enthusiasm for life that I had 25 years ago,” he says. “Meaningful, hard work has always been an important part of my life. I try to maximize the use of every minute, and I'm frustrated by inefficiencies that waste time.”

Because of his ever-demanding schedule, he admits to irritation when there isn't suffi-

cient time or preparation for the day's agenda. The key to his energy and strength of purpose, he says, is that he takes good care of himself, nurtures his family and maintains a healthful perspective and positive outlook.

How has the vice presidency matured Mr. Gore?

“Maturity results from attending to the level of difficulty demanded by the decisions that must be made in the White House—by the president, and often by me and others,” he responds. “That level exceeds by several orders of magnitude the decisions that need to be made in nearly any other setting.”

#### FAR-REACHING DECISIONS

“For instance, life and death may sometimes hang in the balance in the decisions we make in the White House—and possibly on a grand scale, profoundly affecting the future of the United States as well as the world. On any given day, there may be several far-reaching and complex decisions to be made. The burden falls primarily on the president, but when he asks me for advice and analyses, I share that burden. These conflicting and sensitive issues test a persons' mental and physical stamina.”

What most surprises Mr. Gore is the multiplicity of issues which he and the president must tackle simultaneously.

“Before working at the White House, I imagined that one would have the luxury of resolving a world-class problem before going on to the next one,” he says. “But the reality is that the problems come in twos, threes, fours and fives. It is an arduous, but invaluable, maturing experience.”

Mr. Gore and the president eat lunch in the Oval Office once a week when only the two discuss the vast array of matters.

“We have a unique relationship,” Mr. Gore says. “Each day we talk frequently, and on particular problems, I give him my candid judgment. The president's stamina, extraordinary capacity for work, and insightfulness inspire me. I see, up close, his dedication to the job, and I marvel at his ability to articulate—with practical policies—his understanding of our citizenry.”

As for the impact the campaign finance hearings are having on Mr. Gore, he says, “Going through this sometimes trying period has matured me as a leader. It has called upon my ability to focus on the people's business, even while being subjected to sharp, often unwarranted attacks. As a result, I have developed a thicker skin.”

Given the relentless attempts at character assassination, why does Mr. Gore want to remain in public life?

“Public service is the path I've chosen, and I am committed to it,” he says, “Accepting the downside is as necessary as accepting the enormous satisfactions in helping to move American in the right direction.”

“As for handling personal attacks, I draw from experience in journalism, and I try to avoid taking the criticism personally. Reporters and editors have jobs to do. Some do them well, some less well. After three national campaigns, 16 years in Congress and five years in the White House, I recognize the ebb and flow of criticism and know how to keep it all in perspective. What endures is who you really are, what you really believe in, and what and how you apply your efforts. As the president and I move toward our goals, we expect to make a dent in the prevalent cynicism regarding its leaders.”

The vice president is convinced that the international community is hungry for both civility and spiritual revival.

Asked whether he is concerned about the present decline in the civility, he responds, “Yes, I think there is an increase in factionalism and a new intensity of acrimony in

many of the critiques aimed at the president and me. Perhaps, from their perspective, Republicans feel the same. In previous periods of American history, there might have been times when partisan bitterness was even greater. For the modern era, the current level of vitriol seems unprecedented.”

#### DANGERS OF FACTIONALISM

He adds: “Our founders, particularly James Madison, warned against the dangers of factionalism. In some ways, the impact of television and the Internet on the news media may make our system more vulnerable to this poison. Political leaders need to tone down the level of antipathy that has been creeping into our national debates. In fact, I'm now working on how to address this problem.”

If the vice president could relive his 50 years, he says he would not change anything in his personal life, except for the year 1989. While many people consider reaching 50 the turning point in their lives, for Al Gore, that turning point was in April 1989, when his then 7-year-old son, Albert III, was struck by a car while leaving a Baltimore Orioles baseball game. (He sustained a broken leg, broken ribs and damage to his internal organs.)

Mr. Gore recalls “The accident, which almost claimed my son's life, brought home to me in a sudden, overwhelming way the sense of temporality one associates with life's turning points.”

Now 15, Albert is fully recovered, and one of his fathers greatest joys is attending athletic events in which his son participates.

Mr. Gore, whose controlled demeanor is often interpreted as aloofness, is actually friendly and compassionate. He even admits to a sentimental streak, and he was recently moved by the movie *Titanic* and its reminder of the uncertainties and brevity of life.

Mr. Gore runs or jogs some 20 to 25 miles a week, when he is not training for longer races. In addition to running laps around his residence, he often jogs when he travels. Walking, jogging, hiking, bicycling and swimming, he says, have replaced more risky exercise such as full-court basketball, which led to a torn Achilles tendon three years ago.

“My long recuperation on crutches,” he adds, “taught me to leave the slam dunks to younger people.”

Nevertheless, in the recent Marine Corps Marathon—in a steady rain—he ran the entire 26 miles with two of his daughters, Karena, 24, and Kristin, 20.

“It was a first-time marathon for the three of us,” he notes. “We'll never forget that rich experience, and I consider it a personal milestone. As exhausted as I was at the finish—over four hours later—I had a tremendous sense of accomplishment. And as a father, it was a delight to have my daughters each slow down, to run alongside me, encouraging me to finish. I might have missed the marathon but for their insistence that I train for, and enter it.”

Perhaps the only American vice president to run in and complete a marathon, Mr. Gore points to the connection between good physical and mental health.

“Jogging helps me to cope with the pressures of my job,” he says. “If I'm able to run for some two hours, I use the time to think through whatever is on my mind.”

Citing one example, Mr. Gore says that when he addressed congregants at Ebenezer Baptist Church in Atlanta on Dr. Martin Luther King's birthday in January, he was able, while jogging earlier, to clarify his message. And during his remarks that day, he proposed—as part of the President's Initiative on Race—the largest single increase in the enforcement of civil rights laws in 20 years.

Al Gore was born in Washington, D.C.'s Columbia Hospital for Women, and he grew up

in the nation's capital, where he cut his political teeth. He can remember sitting on then-Vice President Richard Nixon's lap during a Senate session he attended with his father, then a U.S. Senator from Tennessee.

Mr. Gore also spent some of his formative years on the family farm in Carthage, Tenn., where his chores included grooming cattle and feeding chickens. (That farm is where he will join his parents for a birthday get-together Tuesday morning. Later, he will return to Washington for a festive celebration with other family members and friends.)

Mr. Gore began a career in journalism in the U.S. Army when he was stationed near Saigon, South Vietnam, and wrote for *The Brigade*. Back home, he was a general assignment writer for *The Tennessean* in Nashville. During some six years there, he covered the police beat; wrote obituaries, features and editorials; and was an investigator reporter.

The unusual actions of politicians, who were the subject of his investigations, stimulated his curiosity, and soon the dynamics of how politicians make decisions became of interest to him.

"In journalism, I learned how to gather information and communicate it," he says. "I soon became confident that I could better serve the country in the political arena. Rather than reporting on the need for change, I wanted to help bring it about. So in 1976, after intense but brief consideration, I ran for Congress from Tennessee's Fourth District."

Elected at age 28, Rep. Gore soon emerged as a forceful proponent of consumer rights. He was also involved in groundbreaking investigative hearings. But he was most proud of his work in bringing about legislation requiring that infant formula sold in the United States meet certain nutritional and safety standards.

When Tennessee's Sen. Howard Baker retired in 1984, Rep. Gore won Sen. Baker's seat and became active in science, technology and defense issues. He led a six-year effort to link school and research centers with America's most powerful computers on a high-speed "Information Superhighway" and is credited with coining that phrase.

While Mr. Gore has had few regrets over the past 50 years, he allows that there have been some harsh words he'd like to retract. "When I think if the unkind words that have passed my lips, with few exceptions, I wish I could take them back," he says. "On the other hand, I feel I've had more than my share of blessings. I'm blessed with a wonderful wife who has been a salvation for me in many ways. Tipper and I have known each other since we were teen-agers. We have grown, learned and changed as we matured together, and she has taught me more about life than anyone else.

"If people think I'm stiff now, they should have seen me *before* she worked me over—evidently, not enough yet."

(Mrs. Gore recently led the U.S. presidential delegation to the Winter Olympics in Japan, accompanied by Albert III and Karenna. Daughter Sarah 19, was unable to miss her classes at Harvard.)

#### JOY OF FAMILY

Mr. Gore went on to describe their four children as a source of joy for Tipper and him. "Each child is a blessing beyond measure," he says. "I'm also blessed with caring parents who provided me with a generous set of opportunities and the encouragement and confidence . . . that I could achieve on my own."

He credits his mother, Pauline, a former attorney; and his father Albert Sr., with instilling in him a respect for principles and values that still motivates him.

"My parents were wise and firm in raising me and my older sister, Nancy," he remem-

bers. "They endowed us with spiritual strength and the kind of security that comes with steady parental affection and guidance. The way they treated us and each other had a profound influence on me."

Mr. Gore also recalls that his parents taught, by deed as well as by word, that discrimination and prejudice are sins that should not be condoned.

He vividly recalls that, as an 8-year-old, he lived in a small house, halfway up a hill, near a mansion. On the day that property changed hands, the neighbors were invited to an "open house."

"In the mansion's basement, my father pointed to the dark, dank stone walls, and the cold metal rings in a row, and explained that they had been used as slave rings," Mr. Gore remembers.

#### HORROR OF SLAVERY

"To this day, I have an image of the horror those rings represented," he says. "That experience helped shape my sensitivities to the extremes of racism.

"Now, we must work harder to banish racist behavior. It diminishes those who practice it as well as those who suffer from it."

Spirituality is an integral part of Mr. Gore's makeup. After graduating from Harvard university, he was "open to the call" of becoming a minister, and he enrolled in Vanderbilt University's School of Divinity.

"I was eager," he recalls, "to study in a structured, disciplined way the questions—'What is the purpose of life? What are our duties to God? What is the nature of human-kind?'"

"I didn't find all the answers I sought, but I continued to study. While my own Christian tradition has been the bedrock of answers for me, I studied other traditions and felt enriched by them as well."

Asked to describe the difference he made in the past five years, Mr. Gore puts it this way:

"The closeness of my partnership with the president serves the people in many ways. Because I retain his confidence, I am able to advise him on virtually every policy matter, and at his request, to take the lead in some of the initiatives."

For example, Mr. Gore is involved in improving the management of the Internal Revenue Service, and he says the new IRS commissioner, Charles O. Rossotti, selected for his management and systems analysis skills, will make the IRS more people-oriented and bring the computers up to date.

According to Sheldon S. Cohen, IRS commissioner in the Johnson administration, Mr. Gore is working for a more "user-friendly" government and supports Commissioner Rossotti's two priorities: to modernize the computer system and to enhance the taxpayer's rights.

Mr. Rossotti says that in the five years Mr. Gore has been at the helm of reinventing government, he steered a course that will help renew the people's faith in government to provide quality services.

"The vice president's visions and goals are woven throughout our new report on the IRS," Mr. Rossotti adds. "He wants every taxpayer treated with fairness, and to ensure that the IRS provides services that are consistently as good as those in the private sector."

#### WOMEN'S WELL-BEING

Turning to the needs of women and their well-being, Mr. Gore says that they are major consumers of health care and decision-makers for their families.

"Yet," he adds, "there is evidence of unequal treatment of women in our health care system. Women are less likely to be referred to specialists, and three times as likely to be told their medical condition is 'all in their head.'"

"I have started to address these issues through the 'Patient's Bill of Rights' and with the American Medical Association."

He says that now that the AMA has a woman as president, she will undoubtedly help raise awareness of health issues of particular concern to women.

(Dr. Nancy Dickey is the first female president of the AMA in its 151-year history.)

Al Gore often demonstrates that he places more value in the power of knowledge than in the knowledge of power. This, he maintains, is the cornerstone of his leadership philosophy.

"I follow this approach whether the issue is nuclear disarmament, organ transplants, global warming or telecommunications," he adds. "I study a subject until I thoroughly master it. Only then do I begin to formulate appropriate policy initiatives."

Mr. Gore's diligence was attested to by President Clinton when he recently disclosed to a Florida audience that he and the vice president do not always agree, but that their disagreements are among the most thought-provoking of his presidency.

"And when I disagree with him," the president remarked, "I make sure I have my facts straight."

How will Mr. Gore's 50-year milestone affect the way he lives the remainder of his life?

"I don't imagine it will have any significant impact in and of itself," he said. "But any time you pause and take stock of your life, you are able to clarify the vision you have for the future."

That vision is apparent in what Al Gore wishes for this milestone.

"As I reach my 50th year, I am content," the vice president said. "So my birthday wish is that every person be blessed with a renewed spirit of goodwill and that we all work together for freedom and peace in a world where kindness and justice prevail."

Asked how he wants to be remembered, Mr. Gore told me, "I'd like to be remembered as someone who made a very positive difference for our country and as one who helped create a brighter future for humanity."

#### INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. ROTH:

S. 1931. A bill to suspend temporarily the duty on 2-Naphthalenecarboxamide, N,N'-(2-chloro-1,4-phenylene)bis-{4[(2,5-dichlorophenyl)azo]-3-hydroxy; to the Committee on Finance.

S. 1932. A bill to suspend temporarily the duty on Benzamide, 3,3'-(2-chloro-5-methyl-1,4-phenylene)bis(imino(1-acetyl-2-oxo-2,1-ethanediyl)azo)}bis{4-chloro-N-(2-(4-chlorophenoxy)-5-(trifluoromethyl)phenyl); to the Committee on Finance.

S. 1933. A bill to suspend temporarily the duty on 2,4,6-(1H,3H,5H)-Pyrimidinetrione, 5-{2,3-dihydro-6-methyl-2-oxo-1H-benzimidazol-5-yl)azo; to the Committee on Finance.

S. 1934. A bill to suspend temporarily the duty on Benzamide, 3,3'-(2,5-dimethyl-1,4-phenylene)bis(imino(1-acetyl-2-oxo-2,1-ethanediyl)azo)}bis{4-chloro-N-(5-chloro-2-methylphenyl); to the Committee on Finance.

S. 1935. A bill to suspend temporarily the duty on Benzamide, 3,3'-(2-chloro-5-methyl-1,4-phenylene)bis(imino(1-acetyl-2-oxo-2,1-ethanediyl)azo)}bis{4-chloro-N-(3-chloro-2-methylphenyl); to the Committee on Finance.

By Mrs. FEINSTEIN (for herself and Mrs. BOXER):